

**Consolidated Annual Performance and Evaluation Report (CAPER)  
2002/2003 Program Year  
City of Scottsdale, Arizona**

**Section I. Narrative Statement Addressing the Following:**

**A. Assessment of Five Year Goals and Objectives**

The City of Scottsdale receives Community Development Block Grant (CDBG) funds each year from the federal government through the U.S. Department of Housing and Urban Development (HUD). The City receives HOME Investment Partnerships Program (HOME) funds through membership in the Maricopa HOME Consortium. The Consortium is the result of an intergovernmental agreement among Scottsdale, Maricopa County and six other entitlement cities in the Valley, with the exception of Phoenix. HOME funds must be used to increase the supply of decent, safe, and affordable housing. Both of these programs must address objectives that have been identified in the five-year Consolidated Plan adopted in March of 2000 and developed through a process that involved citizens' input and opportunity for public comment. In addition, the City is allocated funds by HUD to operate the Housing Choice Voucher Program (Section 8). Over \$4,610,000 was awarded to the program in FY 2002/03.

The activities funded during the period of this report (July 1, 2002 to June 30, 2003) are as follows:

**2002/03 Annual Plan Allocations  
CDBG and HOME Programs**

**CDBG PUBLIC SERVICES:**

<b>Agency Name</b>	<b>Project Name</b>	<b>Funding Allocation</b>
Big Brothers Big Sisters	Mentoring Program	\$10,000
Boys and Girls Clubs	Operation Outreach Program	16,000
Chrysalis Shelter	Shelter and Counseling Services	24,000
Community Info. and Referral	CONTACS Hotline	10,000
Homeward Bound	Case Management/Support Svcs.	19,000
Save the Family	Case Management/Support Svcs.	15,000
Scottsdale Foundation for the Handicapped	Job Training Skills	26,000
Tempe Community Action Agency	Senior Action Nutrition Program	39,000
Tempe Community Action Agency	Senior Peer Counseling	12,450
<b>Sub-total</b>		<b>\$171,450</b>

**CDBG PUBLIC FACILITIES:**

<b>Agency Name</b>	<b>Project Name</b>	<b>Funding Allocation</b>
Central AZ Shelter Services	Door Replacement Project	\$14,000

<b>Sub-total</b>	<b>\$14,000</b>
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**CDBG HOUSING REHABILITATION:**

<b>Agency Name</b>	<b>Project Name</b>	<b>Funding Allocation</b>
City of Scottsdale	Housing Rehabilitation Program	\$601,853
Foundation for Senior Living	Emergency Repair Program	175,000
<b>Sub-total</b>		<b>\$776,853</b>

**CDBG PROGRAM ADMINISTRATION:**

<b>Agency Name</b>	<b>Project Name</b>	<b>Funding Allocation</b>
City of Scottsdale Community Assistance Office	Administration of CDBG Program	\$228,600
<b>Sub-total</b>		<b>\$228,600</b>

**TOTAL CDBG:** **\$1,190,903**

**HOME AFFORDABLE HOUSING ACQUISITION/REHABILITATION:**

<b>Agency Name</b>	<b>Project Name</b>	<b>Funding Allocation</b>
Community Services of Arizona	Acquisition/Rehab of Rental Units	\$283,324
<b>Sub-total</b>		<b>\$283,324</b>

**HOME PROGRAM ADMINISTRATION:**

<b>Agency Name</b>	<b>Project Name</b>	<b>Funding Allocation</b>
City of Scottsdale Community Assistance Office	Administration of HOME Program	\$ 18,848
<b>Sub-total</b>		<b>\$ 18,848</b>

**TOTAL HOME:** **\$302,172**

The City of Scottsdale committed 15% of the CDBG allocation for Public Services, which is the maximum allowed under federal regulations. Non-profit agencies provided services to 2,787 youth, victims of domestic violence, homeless, persons seeking transitional housing, persons with disabilities, and seniors. Activities were funded which addressed all five of Scottsdale's goals for public services:

- *On a continuing basis strategically commit CDBG resources, leveraged with other locally committed public service dollars, for priority public service projects, inside and outside the corporate limits, with the highest level of funding consideration to agencies that best serve Scottsdale's priority needs; participate in local collaborative efforts with other service agencies; and*

*demonstrate the ability to leverage federal funds with other funds secured by the service provider;*

- *Commit public service resources to meet the needs of Scottsdale's growing senior population;*
- *Commit public service resources designed to further the Continuum of Care for homeless persons in the community, and in the metropolitan region as a whole;*
- *Commit public service resources to meet the needs of Scottsdale's physically and/or mentally challenged population;*
- *Commit public service resources to meet the needs of Scottsdale's disadvantaged youth and families.*

Objectives for housing assistance to homeowners, renters, and persons in need of transitional housing were developed and submitted in the Maricopa HOME Consortium 2000 Consolidated Plan for the HOME program.

Scottsdale allocated \$776,853 in CDBG funds to Housing Rehabilitation services provided both by City staff and through a contract with a non-profit housing rehabilitation provider. Assistance was provided to 64 homeowners. Through contracts with two non-profit agencies in fiscal year 2001/02 that were extended into this fiscal year 2002/03, nine additional homeowners were assisted with housing rehabilitation and the first time homebuyer program. The Consortium objective addressed through this allocation is stated as follows:

- *Foster the production of affordable housing for existing homeowners within the Maricopa Consortium.*

Scottsdale also allocated \$14,000 in CDBG funds for Public Facilities for improvements at an emergency family shelter. Assistance was provided to 208 homeless families.

All of the housing activities funded for the 2002/03 program year aided populations in need and met specific medium and high priority Consolidated Plan objectives identified in Table II-1 of the Maricopa HOME Consortium Fiscal Year 2000-2004 Consolidated Plan. *For a copy of this Consolidated Plan, please contact the Maricopa County Community Development Department at (602)-240-2210.*

### **B. Affirmatively Furthering Fair Housing**

The City has assigned responsibility for Fair Housing and Equal Opportunity (FHEO) and Americans with Disabilities Act (ADA) inquiries to one staff person as per federal regulations. The services of the Fair Housing/ADA Coordinator are highlighted in informational brochures that describe the services of the Citizen and Neighborhood Resources Department (CNR). City staff receives an average of 2-3 inquiries a month on Fair Housing issues. Staff also facilitates landlord and tenant outreach. Staff time equates to approximately \$3174.

One provision included in the Scottsdale Housing Agency Administrative Plan is intended to streamline the Section 8 waiting list and have the effect of affirmatively furthering fair housing. To the greatest extent possible under HUD's 75% rule, all the clients on the waiting list will be assisted before it is opened again. Currently, there are 160 on the list. The waiting list was reopened in November 2001 and accepted 343 applications. The table below provides a current breakdown of wait list applications as of 6/30/03:

**Waiting List Recap by Voucher Size**

	<b>1 Bedroom</b>	<b>2 Bedroom</b>	<b>3 Bedroom</b>	<b>4 Bedroom</b>	<b>Total</b>
Elderly (62+)	18	2			20
Persons w/Disabilities	15	3	1		19
Families	37	48	24	12	121
Totals	70	53	25	12	160

Of the 160 applications, 111 (69%) are below 30% of median income and 49 (31%) are below 50% of median income.

Scottsdale's Section 8 clients are more racially diverse than the overall population as reflected in the City's demographics. The principle impediments to fair housing choice are those related to the supply of affordable housing. This year the City took affirmative steps to address those impediments. These actions are described in the following section.

The City of Scottsdale revised its *Analysis of Impediments to Fair Housing Choice (AI)* in April 2001 for 2001-2005. This document is available for review at <http://www.scottsdaleaz.gov/Assistance/housing/ada.asp>.

Based on review of key economic and demographic indicators, the City's housing needs is likely to increase substantially in the next several years. The City has taken the following actions to affirmatively further fair housing and will continue these actions, in addition to the other recommended actions defined in Section III of the analysis:

- All written materials produced by the city to market our programs contain the fair housing insignia and advertises "equal housing opportunity";
- The services offered by the Fair Housing/ADA Coordinator for the City are available at <http://www.scottsdaleaz.gov> at Citizen and Neighborhood Resources Department and ADA/Fair Housing;
- Respond to Fair Housing complaints and inquiries, and educate the community about their rights;
- Enforce a set of accessibility guidelines, developed and adopted by the City as a standard of compliance with fair housing, for new construction and major renovation of multifamily housing units;

- Educate landlords of existing properties within the community about the increased need for affordable, accessible housing units and demonstrate how accessibility can be readily achievable in building modifications and policies, practices and services;
- Assist clients in need of housing through subsidized rental vouchers;
- Provide financial and technical assistance to homeowners to rehabilitate their homes and make emergency repairs for safe and sanitary living conditions;
- Provide funding to non-profit organizations to acquire affordable single-family homes for resale to first-time homebuyers.

In support of its efforts to affirmatively further Fair Housing Choice, the City remains active in attending Fair Housing training and workshop seminars on an ongoing basis. Information is compiled from several different sources, including communication with persons seeking Fair Housing assistance, concepts learned in training and informational seminars, and interaction with the community to contribute to a successful move toward affirmatively furthering Fair Housing.

Once again this year the Scottsdale Housing Agency received Deconcentration Bonus Points to our SEMAP (Section 8 Management Assessment Program) score. PHA(s) (Public Housing Authorities) are awarded 5 additional points if 50% or more of all Section 8 families with children, assisted by the PHA in its principal operating area, reside in low poverty census tracts. As of 6/30/03, 80% of Scottsdale's Section 8 families with children reside in low poverty census tracts.

**SUMMARY OF AI IMPEDIMENTS AND ACCOMPLISHMENTS (6/2003)**

**Name of Grantee: City of Scottsdale**

<b>IMPEDIMENT(S) TO BE ADDRESSED (list by degree of importance)</b>	<b>GOALS (What do you hope to achieve?)</b>	<b>STRATEGIES TO MEET THE GOALS (How will you achieve your goals?)</b>	<b>RESPONSIBLE ENTITIES ASSIGNED TO MEET GOALS (Identify the organizations who will be undertaking the impediment)</b>	<b>BENCHMARK (In which year of your plan to achieve this?)</b>	<b>PROPOSED INVESTMENT (Amount of money) (Funding Source)</b>	<b>YEAR TO BE COMPLETED (Is it contained in your Con Plan Action Plan Goals?)</b>
Education	Fair Housing Education & Planning	<p>Sponsor FH Workshop</p> <p>Conduct FH Workshops for tenants &amp; landlords</p> <p>Invest in community resources &amp; provide outreach materials</p> <p>Empower community members for FH planning</p> <p>Provide information to promote community involvement in FH issues</p>	City of Scottsdale	FY 2003/2004	<p>\$2,000 (CDBG)</p> <p>\$1,500 (CDBG)</p> <p>\$1,000 (CDBG)</p>	FY 2003/2004
<p>Zoning &amp; Building Restrictions</p> <p>Availability of Accessible Housing</p>	Update City ADA Transition Plan	<p>Contract with professional ADA consultant</p> <p>Identify &amp; prioritize accessibility barriers</p> <p>Suggest removal options of barriers</p> <p>Create &amp; tract modifications on ADA database</p> <p>Implement 504 accessibility compliance</p>	City of Scottsdale	FY 2003/2004		FY 2003/2004
Treatment by & Attitude of Sellers	Protect rights of persons for FH opportunitie s	<p>Provide TA on FH rights and referrals to file a complaint with AFHC, HUD &amp; AG</p> <p>City staff to attend FH training &amp; workshops</p>	City of Scottsdale, Citizen & Neighborhood Resources	FY 2003/2004	\$1,000 (CDBG)	FY 2003/2004

		Ensure FH practices conducted throughout jurisdiction				
Zoning & Building Restrictions	Solicit bids from MWBE for housing rehab projects	Contact all contractors including MBE/WBE	City of Scottsdale, Citizen & Neighborhood Resources	Annually		Annually

### **C. Affordable Housing**

The following tables describe the affordable housing activities that were undertaken by the City of Scottsdale during Program Year 2002/03; the funds that were utilized; and the accomplishments that were achieved in reaching the goals and objectives identified in the Maricopa HOME Consortium Five Year Consolidated Plan.

#### **• Objective 1. Affordable Housing for Existing Homeowners**

Program Title	Activity Narrative	Target Group	Funding Source	PY 02/03 Funds Committed	Funds Expended in PY 01/02	Funds Expended in PY 02/03	Goals in 1-Year Action Plan	2002/03 Accomplishments
<b>Scottsdale Housing Rehab</b>	Provided financial and technical assistance to homeowners to rehabilitate their homes.	Low/Mod Income Homeowners below 80% of median income	CDBG	\$601,853		\$224,179	22 houses	12 houses
<b>FSL Major Housing Rehab</b>	“	“	CDBG	(PY 01/02) \$257,500	\$103,853	\$101,946	15 houses	4 in PY 02/03 plus 7 in 01/02 = 11
<b>FSL Emergency Repair Program</b>	Emergency repair services	Low/Mod Income Homeowners	CDBG	\$175,000		\$175,000	59 houses	52 houses

#### **• Objective 2. Affordable Homeownership for New Homeowners**

Program Title	Activity Narrative	Target Group	Funding Source	PY 01/02 Funds Committed	Funds Expended in PY 01/02	Funds Expended in PY 02/03	Goals in 1-Year Action Plan	2001/02 & 2002/03 Accomplishments
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<b>CSA-1<sup>st</sup> Time Homebuyer Program</b>	Acquisition of single-family homes for resale to first-time homebuyers.	Low/Mod Income Homebuyers	CDBG	\$160,000	\$44,153	\$115,350	6 households	5 in PY 02/03 plus 2 in 01/02 = 7 households assisted with down payment and closing cost assistance.
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• **Objective 3. Affordable Rental Housing for All Household Types**

Project Title	Activity Narrative	Target Group	Funding Source	PY 02/03 Funds Committed	Funds Expended	Goals in 1-Year Action Plan	2002/03 Accomplishments
<b>CSA Multi-Family Acquisition and Rehab</b>	Acquire and rehab rental housing in Scottsdale.	Very Low Income Renters	HOME	\$283,324 plus \$100,000 from City General Fund	\$0	8 units	0
<b>CSA SMI Rental Acquisition and Rehab</b>	Acquire and rehab rental housing in Scottsdale.	SMI/Very Low Income Renters	HB 2003–Tobacco Settlement	\$482,000 plus \$8,000 from Value Options	\$490,000	7 units	7 units

*Scottsdale's Affordable Housing Strategy:*

The Housing Board worked diligently to complete “A Strategy for the Creation and Preservation of High Quality, Safe and Affordable Housing” to serve as a guide for future actions by the City to address affordable housing needs. This Strategy was unanimously approved and adopted by a resolution of the City Council on July 6, 1999. In May 2001, Scottsdale hosted a Future Search Conference to identify solutions that would add housing choice opportunities for people who live and work in Scottsdale. In February 2002, the City held a Future Search Forum to bring together the participants from the conference and to revisit the plans of the Action Groups that were identified.

In addition to the Future Search Conference, the City conducted an internal reorganization of housing functions and staff to emphasize the City's commitment to improving neighborhoods. The new Citizen and Neighborhood Resources Department was created in fiscal year 2001/02 to preserve and enhance the health, character, integrity, and vitality of Scottsdale neighborhoods - a key goal set by the City Council in the fall of 2000. The new department combines neighborhood functions with the management of the City's housing rehabilitation programs and the development of affordable housing projects.

*Section 8 Exception Rents:*

In order to maintain the existing payment standard, the Scottsdale Housing Agency applied for a 13.1% exception rent from HUD.

*Section 8 Fair Share Allocation of Vouchers:*



In December 2002, the Scottsdale Housing Agency received 40 vouchers to assist the low income families at the Viviendas Scottsdale Apartments who were affected by the new ownership opting-out and prepaying the HUD Section 236 mortgage.

*General Fund Commitment for Affordable Housing:*

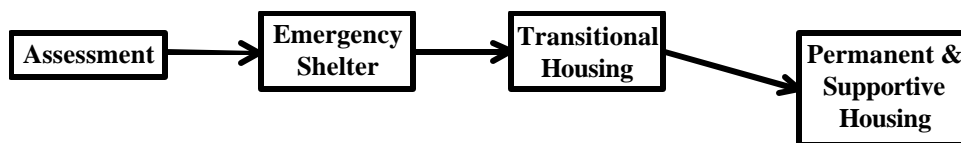
The City of Scottsdale has recognized the need to become more involved in financing affordable housing activities to match and/or leverage other federal, state and private resources. As part of that commitment, the Scottsdale City Council placed a \$100,000 annual allocation in the City's base budget specifically for affordable housing development or preservation. These funds were allocated toward the acquisition and rehabilitation of rental housing for fiscal year 2002/2003.

**D. Continuum of Care**

The Continuum of Care model for assisting homeless families and individuals to achieve self-sufficiency is based on the understanding that homelessness is not caused merely by a lack of shelter, but involves a variety of underlying unmet needs - physical, economic, and social. The most common hypothesis is that the best approach for alleviating homelessness is through a coordinated community-based process that provides a comprehensive response to the differing needs of homeless individuals and families.

The fundamental components of a Continuum of Care system are:

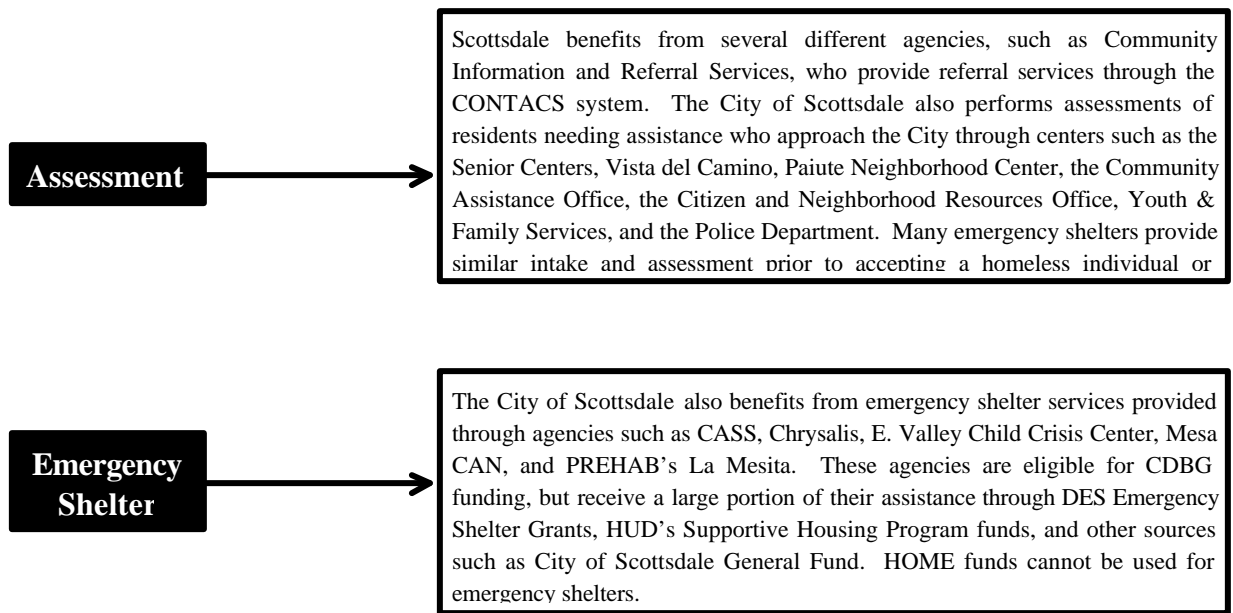
1. Outreach and assessment to identify an individual's or family's needs and connect them to facilities and services.
2. Immediate (emergency) shelter as a safe, decent alternative to the streets.
3. Transitional housing with appropriate supportive services, such as job training/placement, child care, substance abuse treatment, mental health services, and instruction in independent living skills.
4. Permanent housing or permanent supportive housing arrangements.

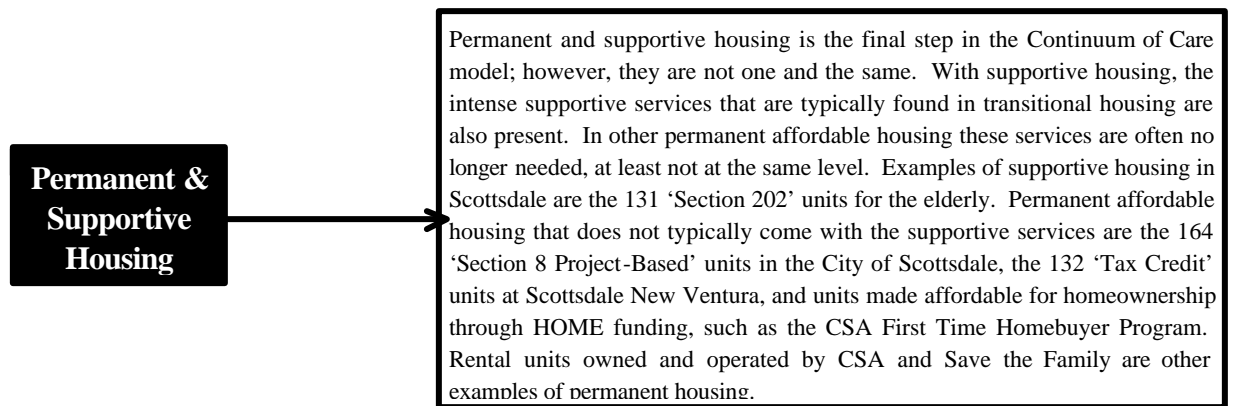
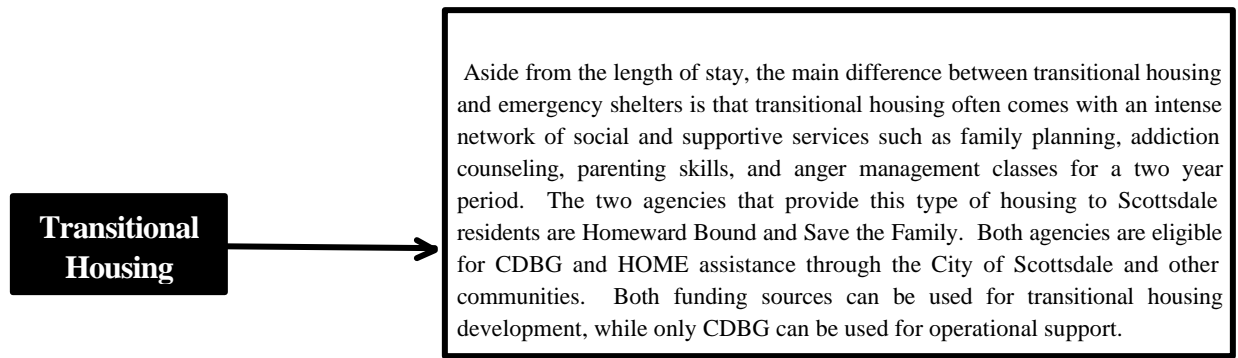


While not *all* homeless people will need access to each of these components, all four must be present and coordinated within a community in order for the Continuum of Care to be viable. A homelessness prevention strategy is considered a key to the success of the Continuum of Care.

The Consolidated Plan's Special Needs statement on homelessness provides the foundation upon which the overall Continuum of Care is built.

## Scottsdale's Continuum of Care





The following is an outline of funding received through CDBG, HOME, and the City's General Fund during program year 2002/03 to support homeless services throughout the Continuum of Care model:

Continuum of Care Stage	PY 2002/03 Activities
<ul style="list-style-type: none"> <li><u>Assessment</u></li> </ul>	Assessment activities are not an eligible expense under the HOME program, and it is often difficult to meet the national objectives of the CDBG program. The regional CONTACS system for referring homeless individuals and families to available shelter beds received \$10,000 in CDBG funding through the City.
<ul style="list-style-type: none"> <li><u>Emergency Shelter</u></li> </ul>	\$24,000 in CDBG public service dollars and \$12,000 in General Fund dollars to Chrysalis Shelter for victims of domestic violence. \$14,000-CDBG and \$48,000-General Fund to Central AZ Shelter Services to provide improvements and support services; \$35,000-General Fund to Mesa CAN's East Valley Men's Center; and \$18,000-General Fund to PREHAB's La Mesita-A Family Shelter.

• <u>Transitional Housing</u>	\$34,000 in CDBG public service dollars to Homeward Bound and Save the Family to provide support services.
• <u>Permanent &amp; Supportive Housing</u>	With CDBG funds in PY 2001/02 and extended into 2002/03, CSA's first-time homebuyers purchased 7 houses in the amount of \$159,503.
• <u>HIV/AIDS</u>	No activities specifically addressed HIV/AIDS this year.

In addition to funding sources, a member of the Scottsdale City Council, David Ortega, participates in the Maricopa Regional Continuum of Care Committee on Homelessness. Specifically, Councilman Ortega's leadership in developing Continuum of Care Resolution #21 that urges the Legislature to assist local and regional efforts to provide ongoing and predictable support for regional contributions to the Continuum of Care program to bring homeless individuals to self-sufficiency.

#### **E. Other Actions**

*Under-Served Needs:* To address under-served needs this year, Scottsdale provided space and administrative support to Concerned Citizens for Community Health (a local non-profit) for their United Way-funded social worker to staff the Vista/Paiute Job Preparation Program. This program provides case management and job readiness services to unemployed and underemployed Scottsdale residents.

*Affordable Housing:* The City of Scottsdale implemented several extremely progressive steps towards increasing the supply of affordable housing in the future, including adoption of an affordable housing strategy; the creation of a new general fund allocation for affordable housing development; funds for a Future Search Conference on Affordable Housing; and a proposal for \$12.9 Million in General Obligation Bonds to finance land acquisition for affordable housing. The ballot issue failed, but the Future Search Conference resulted in Action Groups being formed to identify activities and projects that will provide affordable housing opportunities for people who live and work in Scottsdale.

In addition to using CDBG funds for direct homeownership assistance, the City also utilizes Individual Development and Empowerment Account (IDEA) funds and Family Self-Sufficiency (FSS) participant escrows to meet new affordable homeownership goals. Two FSS participants have purchased their first home this year and we anticipate that number to double in FY 2003/04. In partnership with the National Bank of Arizona, the FSS program leverages IDEA funds for assistance in down payment closing costs. To date, we have had two FSS clients take advantage of approximately \$20,000 in IDEA funds. In 2003, the National Bank of Arizona was awarded an additional \$20,000 in IDEA funds on behalf of the City of Scottsdale's FSS program.

For more detail on Scottsdale's actions to address affordable housing needs, see Section I.C.

*Barriers to Affordable Housing and Gaps in Institutional Structures:* Barriers to affordable housing were identified in Scottsdale's Strategy for the Creation and Preservation of High Quality, Safe and Affordable Housing, adopted by City Council in July 1999. Specific actions were identified in this report to address those barriers and to minimize their impact. This document is available for review at <http://www.scottsdaleaz.gov/Assistance/housing/hd.asp>.

*Public Housing and Resident Initiatives:* Scottsdale has no public housing units and therefore no public housing tenants.

*Lead-Based Paint:* Both the Housing Rehabilitation Program and the Section 8 Program address lead-based paint compliance through Housing Quality Standards (HQS) inspections. The new lead-based paint regulations were applied to housing rehabilitated after September 1, 2000. Scottsdale has two staff members certified for lead paint testing.

*Compliance and Monitoring:* The Community Assistance Office Grants Accountant, along with the Community Assistance Manager and other program staff, monitor overall regulatory compliance. The Grants Accountant reconciles financial records, monitors the City's subrecipients according to level of risk, and participates in the Maricopa Consortium Monitoring Team to review the operations of cities and Community Housing Development Organizations funded through the Consortium's HOME Investment Partnerships Program. The Risk Assessment Analysis process has staff doing on-site monitorings for all subrecipients who had not received one during the previous fiscal year. During this reporting period, three agencies with four contracts were monitored on-site at their offices by the Grants Accountant. Additionally, Community Services of Arizona (CSA) and the Foundation for Senior Living were monitored on-site due to the dollar amounts of the contracts and staff turnover of these subrecipients. The City of Scottsdale participated in the Consortium monitoring of CSA and reviewed both a HOME and a CDBG contract. Staff also assisted the City of Peoria in the monitoring of Maricopa County Community Development (MCCD); and assisted MCCD in the monitoring of the City of Chandler. The Community Assistance Office was monitored by the HOME Consortium in February 2003 to verify that the City of Scottsdale is in compliance with all HOME regulations. As the City of Scottsdale receives more than \$300,000 in federal subsidies, a Single Audit is a requirement and is performed by external auditors as part of their examination of the City's overall financial position. The audit results had an "unqualified opinion".

*Anti-Poverty Strategies:* The 2000 Census indicates there are 11,650 individuals living in poverty in Scottsdale, representing 5.8% of the community's total population. This compares to 5.9% of Scottsdale individuals living in poverty in 1990. Scottsdale's median income throughout all segments of the community increased faster than most areas of the County during the 1990's. One of the most significant ways that Scottsdale contributes to reducing poverty in our community is through economic development initiatives and provision of infrastructure for economic expansion. The City of Scottsdale, the Scottsdale Chamber of Commerce, and the Scottsdale Industrial Development Authority participate in economic development activities

through retention and recruitment of businesses that attract new employment opportunities at higher income levels. All three entities also participate in small business incubator and related programs as well.

Scottsdale also houses a One Stop Career Center, located at the City's CAP office at Vista del Camino, where 81 individuals increased their job search skills through resume and job readiness workshops. Over 2800 citizens used the Career Center's resources on a walk-in basis, which is an increase of over 200 from last program year.

Scottsdale is committed to increasing wages through Family Self-Sufficiency (FSS) programs, job preparation programs, job training and counseling programs; through transitional housing services for homeless, and home purchase programs. During this program year, 48 FSS families were involved in activities in which 26 families improved their employment situation. Twelve unemployed families obtained jobs through the program, and another 14 families found better-paying jobs and increased their annual wages. Among the 26 families, the average increase in annual wages per family was \$12,040. Of the City's ten graduates, two graduates went from Section 8 Housing to home ownership upon graduation from the FSS program. The City's Vista/Paiute Job Prep program involved 33 participants during the program year. Six participants who were unemployed found employment, and ten participants obtained a better paying job. The combined earned income for the Vista/Paiute Job Prep participants increased \$182,728 during the fiscal year, from \$226,241 at the beginning of the year to \$408,969 at the end of the program year.

#### **F. Leveraging Resources**

Scottsdale has an active tradition of working in partnership with non-profit service providers to bring resources and services to low and moderate-income residents. This program year Scottsdale citizens contributed \$213,000 to *Scottsdale Cares* by paying an extra dollar in their City utility bill. These funds provided for 19 public service programs. The City also granted \$187,000 from the General Fund for nine public service programs. Services were provided to children, teens, elderly, families, victims of domestic violence, persons with disabilities, persons with AIDS, and homeless persons.

Scottsdale licenses the use of space in community centers to secure the additional services of "brokerage agencies". The "brokerage" of rooms, utilities, maintenance, and storage is done at no cost to the service providers, with the agreement that they provide services at the City facilities. Consequently, residents who need human services can receive these services in one place, and the family as a whole can participate in several programs. The availability of brokerage services in community centers expands the types of services and amount of services that residents may access for their needs. For fiscal year 2002/03, 36 agencies utilized the brokerage concept equating to \$417,121 in total annual support by the City.

Also during 2002, the City of Scottsdale allocated \$100,000 from the General Fund budget for affordable housing development to be used in leveraging other public and private sources of funds.

### **G. Citizen Comments**

The Public Notice of the availability to review this CAPER was published in the local newspaper on September 9, 2003. Citizens were given fifteen days to comment. As a result, no comments were received. See also Section VI: Public Participation.

### **H. Self-Evaluation**

Performance during the year has been very good. Some positive indicators are:

1. Securing and allocating a fourth year \$100,000 General Fund allocation for affordable housing;
2. Continued success in the Single Family Housing Rehabilitation and First Time Homebuyer programs, including the City's third homebuyer from the Family Self Sufficiency program;
3. Administering the expenditure of significant federal housing resources in compliance with the regulations;
4. Exceeded HUD's priority on the timely expenditure of CDBG funds; and successfully completing the CDBG cleanup in IDIS.
5. Partnering with other Maricopa County agencies in the review and allocation of Continuum of Care funding for the homeless, including participation in the regional Steering Committee, as well as the Proposal Ranking and Review Committee;
6. Successfully training both new and existing staff on CDBG, HOME, Environmental Review, Lead-Based Paint, Section 8, ADA, Affirmatively Furthering Fair Housing, and Housing Finance.

The challenges for the year and the actions to address these are as follows:

1. HOME funds awarded in FY 2002/03 were not expended by the end of the year. HOME funds in the amount of \$283,324 plus \$100,000 from the City's General Fund were allocated to Community Services of Arizona (CSA) for Rental Housing Acquisition and Rehabilitation of at least 8 rental units. To date, a property has not been purchased. However, CSA is currently in the process of acquiring two rental properties that will satisfy funds awarded in FY 2002/03 and FY 2003/04.
2. The City Housing Rehab program was allocated CDBG funds to assist 22 households. Twelve households were assisted this program year, below the proposed goal. The decrease is attributed to a number of rehabilitation projects that had unforeseen complications in the first half of the program year, resulting in less rehab projects completed. However, we anticipate that the City Housing Rehab program will complete 10 more rehabs by the end of October 2003.

## **Section II. Community Development Block Grant (CDBG) Entitlement Funds Narrative Statement Addressing the Following Issues:**

### **A. Assessment of Use of Funds**

The assessment of use of 2002 CDBG funds to meet the five-year Consolidated Plan objectives were addressed in Section I.A. Short-term objectives for the CDBG program were described in the 2002 Annual Action Plan for CDBG. For a copy of the Annual Action Plan document, please contact the Scottsdale Community Assistance Office at (480)312-7647.

The activities funded from the CDBG program for 2002 corresponded directly to activities budgeted in the Annual Action Plan. All agencies that contract to provide services do so on a reimbursement basis. Funds are disbursed after the services have been provided. Performance in all activities was generally at or above the goals proposed in the CDBG Annual Action Plan. A wide variety of public service activities benefited 2,787 low and moderate-income residents. Additionally, housing rehabilitation activities assisted 64 households, plus an additional 4 households with funds carried over from program year 2001/02. The City of Scottsdale advertises for general contractors to bid for the Housing Rehabilitation program in the *Tribune* newspaper annually. Additionally, invitations to bid on projects are solicited to all of the contractors currently on the bidding list.

The City of Scottsdale's Citizen and Neighborhood Resources Department (CNR) was created to address the direct needs of the community. The Housing Rehabilitation Program is administered from the CNR Department.

### **B. Nature and Reasons for Changes in Program Objectives**

The Consolidated Plan does provide for formal steps for mid-year amendments to Annual Plans for the use of CDBG funds. Scottsdale reprogrammed unexpended funds for completed projects and prior year allocations to begin new activities mid-year. The City reprogrammed funds from prior years to allow an emergency repair contract to begin before a new grant agreement could be executed in July.

### **C. Assessment of Performance on Consolidated Plan**

Based on all available information, the City of Scottsdale can certify that it is administering the CDBG program in compliance with its Consolidated Plan and the rules, regulations, and certifications required by the Department of Housing and Urban Development of its grantees.

No actions were taken to limit the implementation of the Consolidation Plan within the available CDBG resources.



#### **D. National Objectives**

With the exception of administrative expenses, all of the CDBG expenditures benefited low and moderate-income persons. There were no expenditures for slum and blight removal, urgent community development needs, or for ineligible activities.

#### **E. Actions Impacting Occupied Real Property**

##### **Owner Occupied Rehabilitation**

- All owner occupied rehabilitation contracts were written to allow the occupant to remain in the property while the rehabilitation work was underway. Contracts included appropriate notices and cautions for work with lead-based paint. Rehabilitation with the occupant in place does create some inconvenience for both the client and the contractor; however, with the level of work being undertaken, the City has determined that the inconvenience of remaining in place is comparable to the inconvenience of moving.

#### **F. Economic Development Activities**

There were no CDBG funded economic development activities funded during the program year. See “Anti-Poverty Strategies” under Section I.E for non-CDBG funded activities related to economic development.

#### **G. Limited Clientele**

All activities that did not benefit a presumed benefit/limited clientele required applications that included information about household income.

#### **H. Program Income**

Program income was received in the amount of \$41,483.

#### **I. Rehabilitation Activities**

Housing rehabilitation is a critical resource for the preservation of Scottsdale’s older residential neighborhoods. Traditionally, housing rehab has been very well received in the community. The program improves living conditions for the specific homeowners, as well as maintaining the viability of older established neighborhoods. From July 2002 through June 2003, there were 50 applicants on the wait list. Of the 50 applicants, 32 have either been assisted or removed from the wait list. On June 30, 2003 there were 32 on the wait list.

Single family, owner-occupied properties were assisted under two programs. The City’s program involved complete rehabilitation to Property Rehabilitation Standards (which exceed Housing Quality Standards). The City’s in-house Housing Rehabilitation program coordinated the rehabilitation of 12 homes. The City also contracted with the Foundation for Senior Living to provide emergency home repair assistance to address failed items that impact on the livability of the home (e.g. leaking roofs, inoperable heating and cooling systems, and leaking plumbing); to respond to code complaints where a citation has been issued; and to make modifications to

provide accommodations for persons with disabilities. The Emergency Repair program assisted 52 homeowners with various requests for assistance.

**J. HUD Approved Special Designations**

Scottsdale has not applied for special designations for Neighborhood Revitalization Strategy Areas or Enterprise Zones.

**Section III. HOME Funds Narrative Information:**

**A. Consolidated Plan Accomplishments**

HOME funds for the 2002 Program Year were allocated to a non-profit agency for the acquisition and rehabilitation of 8 units of rental housing.

**B. Match Report**

Amount of match included in the Maricopa HOME Consortium CAPER.

**C. MBE/WBE Report**

The form HUD-40107 included in the Maricopa HOME Consortium CAPER.

**D. On-site Inspection Results**

None this program year.

**Section IV. HOPWA Funds Narrative Information:**

The City of Scottsdale does not receive Housing Opportunities for Persons with AIDS (HOPWA) funds.

**Section V. ESG Funds:**

The City of Scottsdale does not receive Emergency Shelter Grant (ESG) funds.

**Section VI. Public Participation Requirements:**

Public participation is constant and year round for the CDBG and HOME programs. The City's Human Services Commission is responsible for public review and comment for the CDBG program. The commission holds several public meetings during the application process, including the meetings each year where applicants for CDBG public service funds are invited to

present their applications and respond to questions. The Commission invites a member of the City's Housing Board to participate in the review process for CDBG applications. The Housing Board is responsible for public review and comment for the CDBG Housing Related activities, and for the HOME program. Each year applicants for CDBG Housing Related activities and HOME funds are invited to present their applications and respond to questions from the Housing Board members. The Housing Board's recommendations for funding are then presented to the Human Services Commission.

This process begins in October with an orientation meeting for potential applicants, and culminates in April when the Commission formally presents its funding recommendations to the City Council. During the remainder of the year the Commission invites particular agencies, including beneficiaries of programs funded by grants and local funds, to present status reports at their meetings.

The Community Assistance Office actively seeks client feedback through a stamped, self-addressed ***How Did We Do*** survey that is available at the front desk and from all staff. Feedback from the survey is frequent and generally positive. Numerous letters of appreciation from the clients of the Section 8 program have been received.

This CAPER Narrative, along with the Activity Summary Report from IDIS, was made available for public review on September 10, 2003, at the Community Assistance Office, the Scottsdale Public Libraries, and the Citizen Service Centers. Notice of the availability of the CAPER was published on September 9, 2003, in the *Scottsdale Tribune*. These documents are also available in other formats. This CAPER Narrative, without attachments, is posted on the City's web page at <http://www.scottsdaleaz.gov> at Departments/Human Services/Community Assistance.